



NEWS RELEASE

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SBA OFFERS PATRIOT EXPRESS PILOT LOAN INITIATIVE

Santa Ana, Calif. – The Santa Ana District Office of the U.S. Small Business Administration (SBA) announces the launch of a comprehensive initiative that focuses the agency's full menu of financial, procurement, and technical assistance programs on the military community. The centerpiece of this initiative is a streamlined loan product based on SBA's highly successful SBA Express loan program.

The Patriot Express Initiative includes new and enhanced programs and services for veterans and members of the military community wanting to establish or expand small businesses. Eligible military community members include: veterans, service-disabled veterans, active-duty service members participating in the military's Transition Assistance Program, Reservists and National Guard members, current spouses of any of the above, and the widowed spouse of a service member or veteran who died during service or of a service-connected disability.

More than 150 banks have already been approved to participate in Patriot Express and more applications are arriving daily. Loans are available up to \$500,000 and qualify for SBA's maximum guaranty of up to 85 percent for loans of \$150,000 or less, and up to 75 percent for loans over \$150,000 up to \$500,000. For loans above \$350,000, lenders are required to take all available collateral to secure the loan and may obtain collateral for smaller loans depending upon individual bank requirements. Interest rate maximums for Patriot Express loans are the same as those for regular 7(a) loans: a maximum of prime + 2.25 percent for maturities under 7 years; prime + 2.75 percent for 7 years or more. Interest rates can be higher by 2 percent for loans of \$25,000 or less; and 1 percent for loans between \$25,000 and \$50,000.

The Patriot Express Pilot Loan Initiative can be used for most business purposes. Details on the initiative and the list of participating lenders can be found at <http://www.sba.gov/patriotexpress>.

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